

## BERNARD C. "JACK" YOUNG MAYOR

Office of Government Relations 88 State Circle Annapolis, Maryland 21401

SB 228

February 19, 2020

**TO:** Members of the Senate Finance Committee

**FROM:** Nicholas Blendy, Deputy Director of Government Relations

**RE:** Senate Bill 228 – Commission on Universal Health Care

**POSITION: SUPPORT** 

Chair Kelley, Vice Chair Feldman, and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 228.

Maryland continues to make significant strides and find innovative ways to expand healthcare access without increasing health care costs. Through Medicaid expansion, Maryland reduced the uninsured rate from 13 percent in 2013 to 7 percent in 2019. Despite these efforts, over 360,000 Maryland residents remain without coverage. <sup>2</sup>

Universal health care has the potential to save lives and money. States in the early implementation stages of single payer models are already beginning to demonstrate cost savings and improved health care access. In three years of its Vermont All-Payer Accountable Care Organization (ACO) Model, Vermont has demonstrated \$97 million in Medicare savings.<sup>3</sup> Beneficiaries in this program increased their use of primary care and behavioral health services and in turn significantly reduced their costly Emergency Department visits and inpatient admissions.<sup>4</sup> A recent *Lancet* study by University of

<sup>&</sup>lt;sup>1</sup> Quickfacts Maryland. United States Census Bureau, 2019. Accessed February 18, 2020. Available at: Census.gov/quickfacts/MD

<sup>&</sup>lt;sup>2</sup> Ibid.

<sup>&</sup>lt;sup>3</sup> Center for Medicare and Medicaid Services' Report Recognizes Vermont's All-Payer Health Reform. Vermont Official State Website. 9 April 2019. Accessed February 18, 2020. Available at: governo.vermont.gov/press-release/

Maryland School of Medicine epidemiologists calculated that a single-payer healthcare system would save 68,000 lives in the US and more than \$450 billion in healthcare expenditures annually.<sup>5</sup>

This bill presents Maryland with an opportunity to continue its leadership on healthcare and expand coverage to the hundreds of thousands of Maryland residents who remain uninsured. In a country with rapidly growing health care costs due to emergency room visits, an aging population, and a growing burden of chronic disease, this bill provides Maryland a model to increase health care access and potentially improve healthcare outcomes and reduce healthcare cost.<sup>6</sup>

For the above reasons, we respectfully request a **favorable** report on Senate Bill 228.

<sup>&</sup>lt;sup>5</sup> Galvani AP et al. Improving the prognosis of health care. Lancet. February 2020; 395(10223): 524-533. 
<sup>6</sup> Sun R et al. Statistical Brief 238: Trends in Hospital Emergency Department Visits by Age and Payer, 2006-2015. Healthcare Cost and Uitilization Project. Agency for Healthcare Research and Quality. 
Accessed February 18, 2020. Available at: hcup-us.ahrq.gov/reports/statbriefs; Healthcare Costs for Americans Projected to Grow at An Alarmingly High Rate. Peter G. Peterson Foundation. 1 May 2019. 
Accessed February 18, 2020. Available at: pgpf.org/blog/2019/05/